

ADMINISTRATIVE RULES

MINUTES

February 6, 2014

The Joint Legislative Committee on Administrative Rules met on Thursday, February 6, 2014, beginning at 8:00 a.m. in the Ethan Allen Room of the State House in Montpelier, Vermont.

The following members were present:

Rep. Richard Marek, Vice Chair
Rep. Patsy French
Rep. Robert Krebs
Rep. Linda Myers

Sen. Robert Hartwell
Sen. Diane Snelling

Staff present:

Aaron Adler
Katie Pickens

Committee Counsel
Committee Assistant

In the absence of Sen. MacDonald, Rep. Marek chaired the meeting.

The minutes of the meeting of January 23, 2014 were approved.

The committee reviewed the following rules:

13-P46 – Agency of Administration, Department of Taxes, Capital Gains Exclusion.

Molly Bachman, General Counsel for the Department of Taxes, presented the rule to the committee. The rule addresses various matters related to capital gains, including defining “adjusted net capital gain income,” the scope of exemptions, the treatment of asset sales versus non-public stock sales, and other matters. Ms. Bachman and Jeffrey Dooley, Lead Tax Policy Analyst for the Department of Taxes, responded to questions from the committee.

On a motion by Rep. Myers, the committee unanimously approved the rule as submitted.

13-P45 – Agency of Commerce & Community Development, Department of Housing & Community Development/Definition of Downtown Redevelopment. Dale Azaria, General Counsel for the Department of Housing & Community Development, presented the rule to the committee. The rule’s purpose is to be implement a sales tax exemption on building materials incorporated into a downtown redevelopment project, adopted many years ago by the General Assembly, by defining the term “downtown redevelopment project. Ms. Azaria, Noelle MacKay, Commissioner, and Chris Cochran, Director of Community Planning and Revitalization, responded to questions from the committee.

Craig Miskovich, representing the Brook House Development in Brattleboro, testified concerning the impact of the lack of rule language to date on a downtown development project in Brattleboro, and requested that the committee consider directing that the rule include a retroactive effective date.

The committee deferred action on the rule until the next LCAR meeting on February 13th to allow time for the parties to work out a resolution, and for the committees of jurisdiction to respond to requests for their input on the rule.

The next meeting of the committee is scheduled for February 13, 2014, beginning at 8:00 a.m. in the Ethan Allen Room of the State House in Montpelier, Vermont.

Respectfully submitted,

Aaron Adler
Committee Counsel